

REMARKS

This communication is filed in response to the Final Office Action dated September 18, 2009. Claims 1, 2, 8, 9, 15, 16, 22, and 28 are amended, no claims are canceled, and no claims are added. Accordingly, claims 1-20, 22-28, 31-34, and 39-42 remain pending in this application. Support for the present amendments can be found in the Specification as filed at, for example: Figure 6; page 1, lines 17-19; and page 12, line 10 to page 13, line 5.

§101 Rejection of the Claims

Claims 1-7 are rejected under 35 U.S.C. §101 as allegedly being directed to non-statutory subject matter. To expedite prosecution, Applicants have amended claim 1, from which claims 2-7 depend, to recite, “at the network-based facility and using one or more processors, updating a record associated with the failed transaction that is not completed by the buyer.” The presence of one or more processors to perform an action effectively ties the claims to a particular machine. *See Interim Examination Instructions for Evaluating Subject Matter Eligibility Under 35 U.S.C. §101* (August 25, 2009) at 15. As such, claim 1 includes at least one method step tied to a machine (e.g., a processor) and is directed to statutory subject matter. Applicants request that the present rejection under 35 U.S.C. §101 be withdrawn.

§ 103 Rejection of the Claims

Claims 1, 4-5, 7-8, 11-12, 14-15, 18-19, 24-25 and 27-28, were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Publication No. 2004/0059596 by Vaidyanathan et al. (*Vaidyanathan*), in view of U.S. Patent No. 6,598,026 to Ojha et al. (*Ojha*), in view of U.S. Patent No. 6,535,856 to Tal (*Tal*), and further in view of The Feedback Forum, as viewed on the Wayback Machine from October 12, 1999 (*Feedback Forum*)

The recent U.S. Supreme Court decision of *KSR v. Teleflex* provides a tripartite test to evaluate obviousness.

The rationale to support a conclusion that a claim would have been obvious is that *all the claimed elements were known in the prior art* and one skilled in the art could have combined the elements as claimed by known methods with no change in their respective functions, and the combination would have yielded nothing more

than predictable results to one of ordinary skill in the art. (*See KSR International Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 82 U.S.P.Q.2d 1385 (2007)); *see also* MPEP § 2143, emphasis added.)

Applicants will show that the cited references, either singly or in combination, neither teach nor suggest all limitations of Applicants' claimed elements, with no change in the respective functions of the cited references, nor is there any substantiating evidence that the combination of the references would have yielded nothing more than predictable results. "If any of these [three] findings cannot be made, then this rationale [of combining prior art elements according to known methods to yield predictable results] cannot be used to support a conclusion that the claim would have been obvious." MPEP § 2143, emphasis added.

Independent claim 1, as amended, recites *inter alia*, "updating a seller refund request table upon crediting a fee previously charged to the seller by the network-based facility based on the failed transaction back to the seller." Applicants are not aware of any teaching of "a seller refund request table" or "crediting the fee charged back to the seller" in the cited references, namely, *Vaidyanathan*, *Ojha*, *Tal*, and *Feedback Forum*. While the references each discuss online transactions, they do not teach crediting a fee charged to the seller. As such, Applicants requests that the present rejection be withdrawn.

In the rejection of the remaining claims, the Examiner refers to eBay's Website (www.ebay.com) on October 14, 1999, as viewed on the Wayback Machine (www.archive.org), (*eBay*). *Office Action*, pages 8-10. While *eBay* discusses a "final value fee credit request forum," *eBay* does not disclose "updating a seller refund request table upon crediting the fee charged back to the seller." As such, claim 1 is believed to be in condition for allowance.

The Examiner used four references in the rejection of Applicants' claims. The large number of references is highly suggestive that the Examiner is using Applicants' structure as a template and selecting individual elements from each reference in a hindsight reconstruction of Applicants' claimed invention. Further, the use of individual elements from four references suggests that the Examiner is merely considering whether the differences are obvious, not whether the invention as a whole is obvious.

The U.S. Supreme Court has held that USPTO personnel may not dissect a claimed invention into discrete elements and then evaluate the elements in isolation. Instead, the claim as a whole must be considered. *See, e.g., Diamond v. Diehr*, 450 U.S. 175, 188-89, 209 USPQ 1, 9

(1981).When considered as a whole, Applicant's claimed elements are neither taught nor suggested by any combination of the cited references.

Further independent claims 8, 15, and 28, as amended, each have limitations similar to claim 1 and are asserted to also be allowable for at least the same reasons. Claims 4-5, 7, 11-12, 14, 18-19, 24-25 and 27 depend either directly or indirectly from claim 1, 8, 15, or 28 and are allowable for at least the same reasons. Further, these dependent claims may each be patentable for their own limitations.

Claims 39-41 were rejected under 35 U.S.C. § 103(a) as being unpatentable over *Vaidyanathan, Ojha* and *Tal*, as applied to claim 1 above and further in view of eBay's Website (www.ebay.com) on October 14, 1999, as viewed on the Wayback Machine (www.archive.org), (*eBay*).). However, *eBay* fails to make up for any of the deficiencies not found in *Vaidyanathan, Ojha, Tal* and the *Feedback Forum*. Therefore, since each of claims 39-41 depend from claim, they too are allowable for at least the same reasons.

Claim 42 was rejected under 35 U.S.C. § 103(a) as being unpatentable over *Vaidyanathan, Ojha, Tal* and the *Feedback Forum*, as applied to claim 1 above and further in view of U.S. Publication No. 2002/0059130 by Cheng et al. (*Cheng*). However, *Cheng* fails to make up for any of the deficiencies not found in *Vaidyanathan, Ojha, Tal* and the *Feedback Forum*. Therefore, since claim 42 depends from claim 1, it too is allowable for at least the same reasons.

Claims 2-3, 6, 9-10, 13, 16-17, 20, 22-23, 26 and 31-34 were rejected under 35 U.S.C. § 103(a) as being unpatentable over *Vaidyanathan, Ojha, Tal*, and *Feedback Forum* as applied to claims 1, 4-5, 7-8, 11-12, 14-15, 18-19, 24-25 and 27-28 above, and further in view of *eBay*. However, *eBay* fails to make up for any of the deficiencies not found in *Vaidyanathan, Ojha, Tal* and the *Feedback Forum*. Therefore, since claims 3, 6, 9-10, 13, 16-17, 20, 22-23, 26 and 31-34 depend from either claims 1, 8,15, or 28, they too are allowable for at least the same reasons.

CONCLUSION

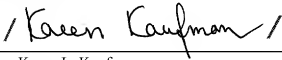
Applicants respectfully submit that the claims are in condition for allowance, and notification to that effect is earnestly requested. The Examiner is invited to telephone the undersigned at (408) 278-4051 to facilitate prosecution of this application.

If necessary, please charge any additional fees or deficiencies, or credit any overpayments to Deposit Account No. 19-0743.

Respectfully submitted,

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CERTIFICATE UNDER 37 CFR 1.8: The undersigned hereby certifies that this correspondence is being filed using the USPTO's electronic filing system EFS-Web, and is addressed to: Mail Stop RCE, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on this 18th day of December, 2009.

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